

HOUSE BILL 4020

By Bone

AN ACT to amend Tennessee Code Annotated, Section 55-17-120, relative to entities which sell large construction equipment in an auction format and which maintain a staffed facility of at least fifty (50) contiguous fenced acres.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 55-17-120(b), is amended by designating the present language as new subdivision (b)(1) and by adding the following language as new subdivision (b)(2):

(b)

(2)

(A) Further provided, in addition to the provisions above, no motor vehicle dealer license shall be required for the operator of a permanent auction facility which has been in continuous operation for at least two (2) years prior to January 1, 2008, and that:

(i) Sells large construction equipment in an auction format;

(ii) Has sales of used motor vehicles whose total value does not exceed fifteen percent (15%) of the total value of all equipment sold, including motor vehicles, as calculated on an annual basis;

(iii) Maintains a regularly staffed facility during normal business hours of not less than thirty (30) hours per week;

(iv) Has a permanent facility with at least fifty (50) contiguous fenced acres located in the state of Tennessee;

(v) Has titles present for all vehicles to be sold by auction at such facility;

(vi) Conducts, at the facility, not more than five (5) such auctions in a calendar year, one (1) of which may be a "vehicles only" auction;

(vii) Does not sell new or unused motor vehicles, or vehicles with a manufacturer's statement of origin only; and

(viii) Sells, at the facility, only motor vehicles which:

(a) Weigh in excess of ten thousand (10,000) pounds gross vehicle weight rating (GVWR); or

(b) Weigh less than ten thousand (10,000) pounds gross vehicle weight rating (GVWR) if owned by an entity which used such motor vehicle in its normal business operation as either a construction or common carrier or transportation-related entity hauling freight.

(B) Such auction shall file with the Tennessee motor vehicle commission on an annual basis a certification stating:

(i) That all such vehicles sold were not vehicles covered under the provisions of the Tennessee consumer protection act (TCPA); and

(ii) The gross proceeds of such auction and the value of all vehicles sold at such auction.

SECTION 2. If any provision of this act or the application thereof to any person or circumstance is held invalid, then all provisions and applications of this are declared to be invalid and void.

SECTION 3. This act shall take effect July 1, 2008, the public welfare requiring it.